

Supplemental Memorandum

To: STATE BOARD MEMBERS

Date: March 28, 2003

From: Camille Maben and Diane Levin

Re: ITEM # 6

Subject The May 1, 2003, submission of the State Plan to the United States Department of Education of specified information pertaining to the *No Child Left Behind* (NCLB) Act, including but not limited to:
goals and indicators; setting state targets; AYP baseline data; adopting academic content standards in math and reading; developing and implementing required assessments in science; setting academic achievement standards in science; evidence of a single accountability system; standards and objectives for English proficiency; participation rate for statewide assessments; 10th grade common core assessments.

Draft No.1 of California's Consolidated State Application for *No Child Left Behind* is a work in progress. The State Board will review this document and make decisions, recommendations, etc., for revising the draft so that all necessary edits can be incorporated into the final version of the State Application for the May 1, 2003, submission deadline.

Draft No. 1

**CALIFORNIA'S
CONSOLIDATED STATE APPLICATION
for**

NO CHILD LEFT BEHIND

**Submitted by
the California State Board of Education
in association with the
California State Superintendent of Public Instruction**

**Sacramento, CA
May 1, 2003**

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**Consolidated State Application
for *No Child Left Behind*:
Components for May 1, 2003, Submission**

Background

The May 1st submission of the Consolidated State Application for No Child Left Behind (NCLB) follows that of the Accountability Workbook, which was sent to the U.S. Department of Education (USDE) by the January 31, 2003, deadline. The Accountability Workbook incorporated all of the required components indicated on the USDE timeline on the previous page (“Timeline for Submission of Components of the Consolidated State Application”), including:

Under Part II – State Activities:

- 1 e** – the calculation of the starting point;
- 1 f** – the definition of AYP; and
- 1 g** – the minimum number for statistical reliability and justification.

Following the submission of California’s Accountability Workbook was the Peer Review, which took place at the California Department of Education (CDE) on February 26, 2003. An official letter of response from USDE summarizing the findings and determinations of the Peer Review panel and highlighting specific areas that California will need to address with regard to the State’s accountability system is forthcoming.

The May 1, 2003, Submission for the Consolidated State Application

The USDE Timeline specifies the following seven components for inclusion in the May 1st submission:

Under Part I – Goals and Indicators:

- Setting state targets
- AYP baseline data

Under Part II – State Activities:

- 1 a** – Evidence of adopting academic content standards/grade-level expectations in math and reading
- 1 b** – A detailed timeline for adopting academic content standards/grade-level expectations in science
- 1 c** – A detailed timeline for developing and implementing required assessments in science
- 1 d** – A detailed timeline for setting academic achievement standards in science
- 1 h** – Evidence of a single accountability system

These seven components are fully addressed on the pages that follow. Excerpts from *No Child Left Behind* legislation requiring each component is included in Appendix A at the end of this document.

Setting State Targets

For specific NCLB requirement, see Appendix A – NCLB, Section 1111 (b)(2)(G)

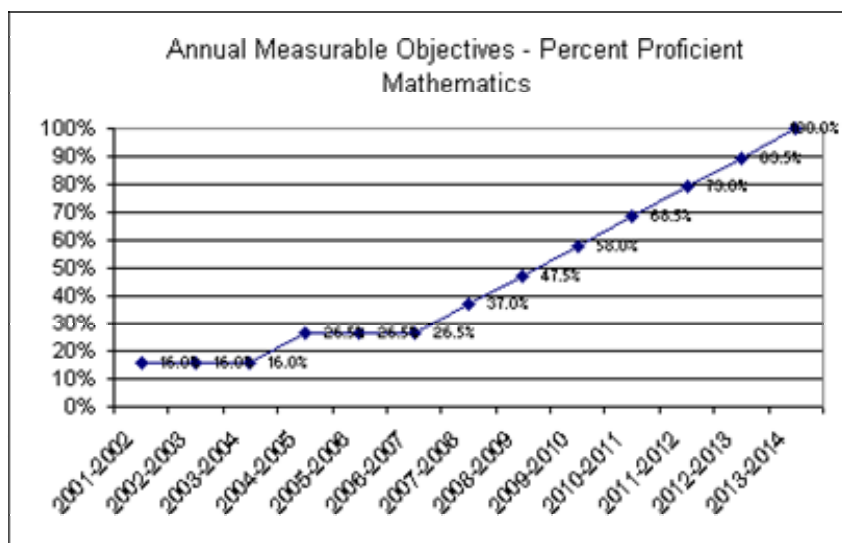
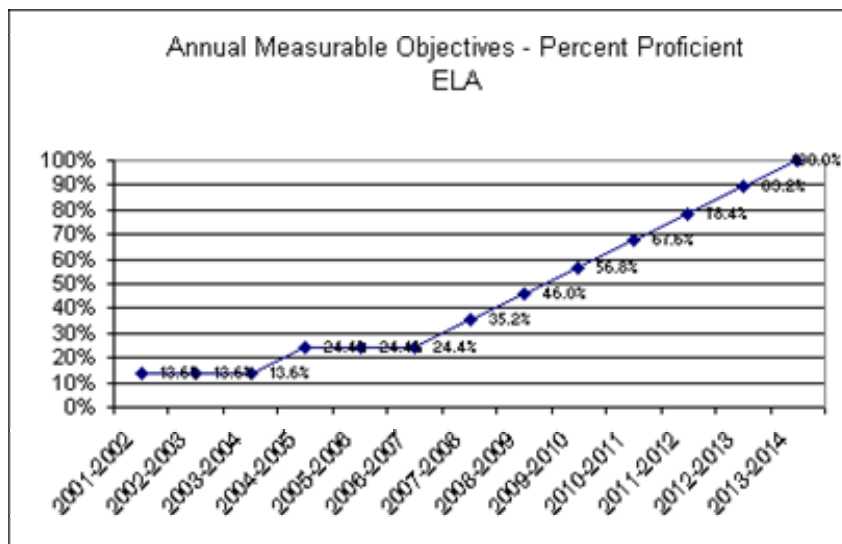
[The charts for grades 2 - 8 on the following page were approved by SBE and submitted to USDE on January 31, 2003, as part of California's Accountability Workbook.]

Grades 2 - 8

7 intermediate objectives, designated by asterisks

Annual Measurable Objectives – Percent at or above Proficient

ELA	Year	Mathematics
0.136	2001-2002	0.160
0.136	2002-2003	0.160
0.136	2003-2004	0.160
0.244	2004-2005	0.265*
0.244	2005-2006	0.265
0.244	2006-2007	0.265
0.352	2007-2008	0.370*
0.460	2008-2009	0.475*
0.568	2009-2010	0.580*
0.676	2010-2011	0.685*
0.784	2011-2012	0.790*
0.892	2012-2013	0.895*
1.000	2013-2014	1.000



Grades 2 - 8

As indicated on the preceding charts (as well as on page 30 of California's Accountability Workbook), California will establish separate English-language arts and mathematics intermediate goals that increase in equal increments over the 12-year timeline. This schedule of intermediate goals will result in all students in grades 2 – 8 meeting or exceeding the proficient level of academic achievement in English-language arts and mathematics not later than 2013-14, as required by law. Intermediate goals for high school will be set following the calculation of the starting points, and if the 2003 adjusted starting points for grade 10 are not materially different from those for grades 2 – 8, the intermediate goals for grades 2 – 8 will be applied to all grade levels.

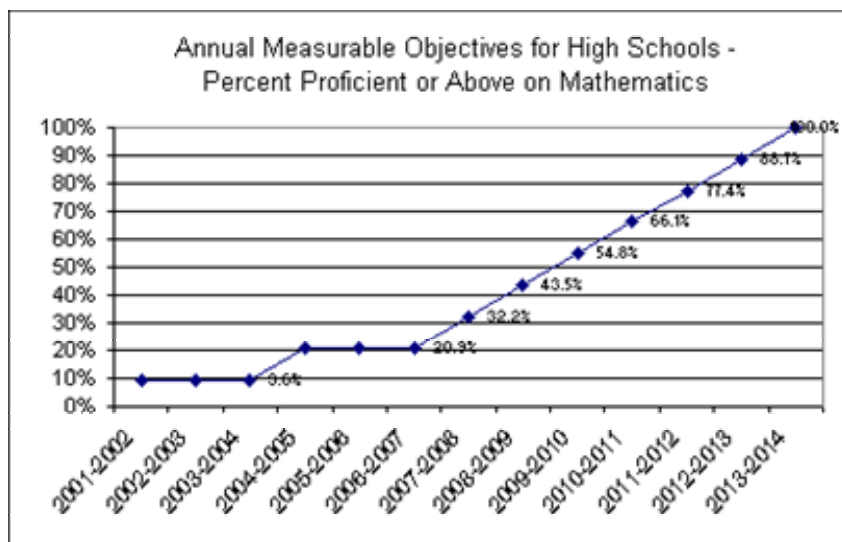
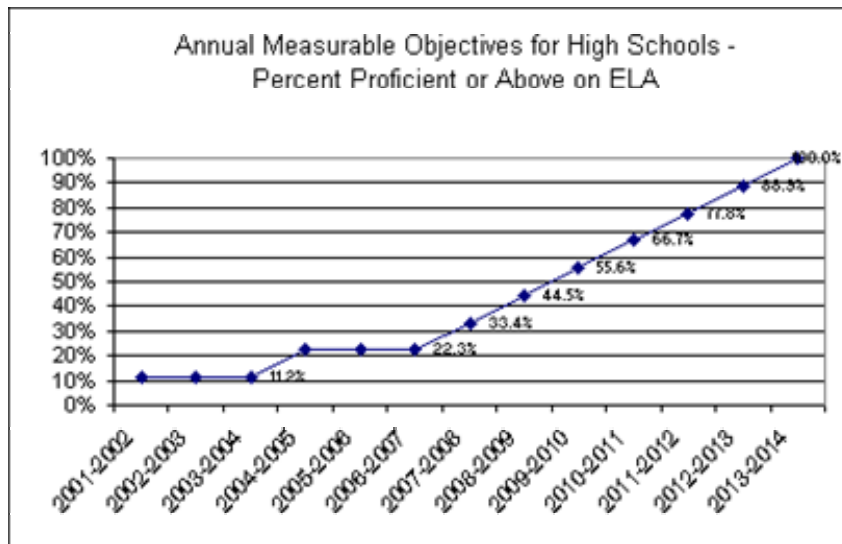
These intermediate goals are consistent with the expectation that the strongest academic gains in schools and districts are likely to occur in later years – after teachers are given time to align instruction with academic content standards, after districts are given the opportunity to increase their capacity to support needed reforms, and after there is a highly qualified teacher in every California classroom. This is particularly true for low-performing schools in California in which students are expected to reach performance levels that are especially rigorous.

High School

7 intermediate objectives, designated by asterisks

Annual Measurable Objectives for High Schools - Percent Proficient or Above

ELA	Year	Mathematics
0.112	2001-2002	0.096
0.112	2002-2003	0.096
0.112	2003-2004	0.096
0.223	2004-2005	0.209*
0.223	2005-2006	0.209
0.223	2006-2007	0.209
0.334	2007-2008	0.322*
0.445	2008-2009	0.435*
0.556	2009-2010	0.548*
0.667	2010-2011	0.661*
0.778	2011-2012	0.774*
0.889	2012-2013	0.887*
1.000	2013-2014	1.000



AYP Baseline Data

Grades 2 - 8

Performance Goal 1: All students will reach high standards, at a minimum attaining proficiency or better in reading and mathematics by 2013-14.

1.1 Performance indicator: The percentage of students, in the aggregate and for each subgroup, who are at or above the proficient level in reading on the State's assessment. (These subgroups are those for which the ESEA requires State reporting, as identified in NCLB Section 1111(h)(1)(C)(i).)

Note: All numbers in the 1.1 performance indicator are based on grades 2-8.

Aggregate (data based on spring 2002 testing): 32.0

Groups	Subgroup Percentage
African American	19.6
American Indian or Alaska Native	28.1
Asian	51.0
Filipino	45.3
Hispanic or Latino	16.2
Pacific Islander	27.6
White	50.7
Socioeconomically disadvantaged	16.3
English language learners*	13.1
Students with disabilities	9.7
Male	29.0
Female	35.2
Migrant	7.9

*Reflects inclusion of students redesignated as fluent English proficient (R-FEP).

Grades 2 - 8

1.2 Performance Indicator: The percentage of students, in the aggregate and in each subgroup, who are at or above the proficient level in mathematics on the State's assessment. (These subgroups are those for which the ESEA requires State reporting, as identified in NCLB Section 1111(h)(1)(C)(i).)

Note: All numbers in the 1.2 performance indicator are based on grades 2-8.

Aggregate (data based on spring 2002 testing): 33.8

Groups	Subgroup Percentage
African American	18.1
American Indian or Alaska Native	27.8
Asian	60.5
Filipino	46.6
Hispanic or Latino	20.2
Pacific Islander	29.7
White	48.9
Socioeconomically disadvantaged	20.7
English language learners*	21.0
Students with disabilities	12.1
Male	34.1
Female	33.1
Migrant	14.4

*Reflects inclusion of students redesignated as fluent English proficient (R-FEP).

Grade 10

Performance Goal 1: All students will reach high standards, at a minimum attaining proficiency or better in reading and mathematics by 2013-14.

1.1 Performance indicator: The percentage of students, in the aggregate and for each subgroup, who are above the proficient level in reading on the State's assessment. (These subgroups are those for which the ESEA requires State reporting, as identified in NCLB Section 1111(h)(1)(C)(i).)

Note: All numbers in the 1.1 performance indicator are baseline for grade 10.*

Aggregate:	28.5
Groups	Subgroup Percentage
African American	15.4
American Indian or Alaska Native	25.2
Asian	43.4
Filipino	37.3
Hispanic or Latino	12.7
Pacific Islander	22.0
White	45.4
Socioeconomically disadvantaged	11.3
English language learners**	9.6
Students with disabilities	2.8
Male	23.4
Female	33.9
Migrant	6.5

*Estimated based on grade 9 data. Will be updated when full census data are available for 2003.

**Reflects inclusion of students redesignated as fluent English proficient (R-FEP).

Grade 10

Performance Goal 1

1.2 Performance Indicator: The percentage of students, in the aggregate and in each subgroup, who are at or above the proficient level in mathematics on the State's assessment. (These subgroups are those for which the ESEA requires State reporting, as identified in NCLB Section 1111(h)(1)(C)(i).)

Note: All numbers in the 1.2 performance indicator are baseline for grade 10.*

Aggregate:	25.4
Groups	Subgroup Percentage
African American	10.3
American Indian or Alaska Native	21.9
Asian	52.1
Filipino	32.8
Hispanic or Latino	10.2
Pacific Islander	20.2
White	39.4
Socioeconomically disadvantaged	10.7
English language learners**	11.5
Students with disabilities	3.5
Male	26.8
Female	24.0
Migrant	6.7

*Estimated based on grade 9 data. Will be updated when full census data are available for 2003.

**Reflects inclusion of students redesignated as fluent English proficient (R-FEP).

1.3 Performance indicator: The percentage of Title I schools that make adequate yearly progress.

A total of 48% (2,438 of 5,077) of Title I schools met AYP based on spring 2002 assessment results.

Note: In 2002, AYP was synonymous with the Academic Performance Index (API), but defined differently by type of Title I funding. Schools designated as Schoolwide Programs (SWP) achieved AYP if they made their schoolwide API growth target and the growth targets for all numerically significant subgroups. Schools in the upper half of the API distribution that were Targeted Assistance Schools (TAS) achieved AYP if they made the API growth target for their socio-economically disadvantaged subgroup.

Performance Goal 5: All students will graduate from high school.

5.1 Performance indicator: The percentage of students who graduate from high school, with a regular diploma,

- Disaggregated by race, ethnicity, gender, disability status, migrant status, English proficiency, and status as economically disadvantaged; and,
- Calculated in the same manner as used in National Center for Education Statistics (NCES) reports on Common Core of Data.

Statewide completion rates based on the NCES completion rate formula:

$$\frac{\text{High School Graduates Year 4}}{\text{Dropouts (Grade 9 Year 1 + Grade 10 Year 2 + Grade 11 Year 3 + Grade 12 Year 4) + High School Graduates Year 4}}$$

Aggregate: 86.8

African American	77.5
American Indian or Alaska Native	81.1
Asian	93.5
Filipino	92.3
Hispanic	80.5
Pacific Islander	84.9
White	92.0
Socioeconomically disadvantaged	n/a*
English language learners	n/a*
Students with disabilities	n/a*
Male	84.9
Female	88.5
Migrant	n/a*

Calculation is based on aggregate numbers collected from the October 2001 CBEDS data collection.

* Data for these subgroups will be collected starting in 2003-04. Completion rates will be calculated for these subgroups starting with the 2007-08 school year since the formula requires four years of data.

5.2 Performance indicator: The percentage of students who drop out of school,

- Disaggregated by race, ethnicity, gender, disability status, migrant status, English proficiency, and status as economically disadvantaged; and,
- Calculated in the same manner as used in National Center for Education Statistics (NCES) reports on Common Core of Data.

Statewide dropout rates based on the NCES dropout rate formula:

$$\frac{\text{Number of Grade 9-12 Dropouts (2000-01)}}{\text{Grade 9-12 Enrollment (2000-01)}}$$

Aggregate: 2.8

African American	4.9
American Indian or Alaska Native	3.6
Asian	1.5
Filipino	1.8
Hispanic	3.8
Pacific Islander	3.2
White	1.7
Socioeconomically disadvantaged	n/a*
English language learners	n/a*
Students with disabilities	n/a*
Male	3.0
Female	2.5
Migrant	n/a*

Calculation is based on aggregate numbers collected from the October 2001 CBEDS data collection. California's current definition of dropouts is not the same as the NCES definition in all areas. Starting in 2003-04, the California Department of Education will align its dropout definition with the NCES dropout definition. It is not anticipated that this change in definition will impact the rates significantly.

* Data for these subgroups will be collected starting in 2003-04.

1 a –

**Evidence of Adopting Academic
Content Standards/Grade-Level
Expectations in Math and Reading**

For specific NCLB requirement, see Appendix A – NCLB, Section 1111 (b)(1)

California's Standards for English-Language Arts and Mathematics

California's implementation of challenging academic content standards began in December 1997, when the California State Board of Education (SBE) adopted content standards for English-language arts (reading, writing, listening, and speaking) and mathematics. These standards contain coherent and rigorous content and specify what students are expected to know and be able to do by grade level, from kindergarten through high school. California's world-class standards were developed for *all* students and can be attained by *all* students given the appropriate standards-aligned instruction, sufficient time, and intervention when necessary. The 2003 "Quality Counts" survey rates California's standards a "B+".

All of California's grade-level academic content standards can be viewed via the Internet at:

<http://www.cde.ca.gov/standards/>

1 b –

**A Detailed Timeline for Adopting
Academic Content Standards/ Grade-
Level Expectations in Science**

For specific NCLB requirement, see Appendix A – NCLB, Section 1111 (b)(1)

California's Science Standards

Academic content standards for Science were adopted by the State Board of Education in 1998. Following the model of rigor set by California's standards in English-language arts and mathematics, the science standards contain coherent and rigorous content and specify what students are expected to know and be able to do in science by grade level, from kindergarten through high school. California's world-class standards were developed for *all* students and can be attained by *all* students given the appropriate standards-aligned instruction, sufficient time, and intervention when necessary. The science standards can be viewed via the Internet at:

<http://www.cde.ca.gov/standards/>

1 c –

**A Detailed Timeline for Developing and
Implementing Required Assessments in
Science**

1 d –

**A Detailed Timeline for Setting Academic
Achievement Standards in Science**

For specific NCLB requirement, see Appendix A – NCLB, Section 1111 (b)(3)

[The timeline on the pages that follow includes the combined target dates and related information on California’s development of science assessments and academic achievement standards as required for Components 1c and 1d above]

Proposed Timeline of Tasks and Events for the Development of the Middle (grades 6-9) and High School (grades 10-12) Core Knowledge Science Tests

The NCLB Consolidated State Application must include a timeline for the development of the required tests, which are currently not a component of the state assessment program.

Date	Responsibility	Task
April 2003	ETS	Prepare scope of work and cost proposal for development and implementation of tests
May 2003	SBE	Approve scope of work and cost proposal
June 2003	CDE	Secure funding and Department of Finance approval for test development and program implementation
July/August 2003	CDE/SBE	Identify and select members for the NCLB Core Knowledge Science Committee
November 2003	Committee	Develop recommendations for test content and grade levels for test administration
January 2004	SBE	Approve test content and grade levels for test administration
February 2004	ETS	Develop preliminary blueprints for committee review
March 2004	Committee	Consider and recommend blueprints to SBE
April 2004	SBE	Adopt blueprints
May/June 2004	ETS	Develop test items
July 2004	CRP	Review items for accuracy and alignment to standards
August 2004	SPAR Panel	Review items for issues of privacy
August 2004	ETS	Build field test forms and prepare directions for administration
October 2004	CDE	Review field test lasers
November 2004	ETS	Print field test forms
Spring 2005	ETS	Administer field tests at designated grade levels
May/June 2005	ETS	Continue development of test items
July 2005	CRP	Review items for accuracy and alignment to standards
August 2005	SPAR Panel	Review items for issues of privacy
August 2005	ETS	Build operational forms including field test items
Spring 2006	STAR Contractor	Administer operational forms including field test items
May/June 2006	STAR Contractor	Continue development of test items

Date	Responsibility	Task
July 2006	CRP	Review items for accuracy and alignment to standards
August 2006	SPAR Panel	Review items for issues of privacy
August 2006	CDE	Report tests results of Spring 2006 Administration
August 2006	STAR Contractor	Complete technical manual
September 2006	STAR Contractor	Organize and supervise standard setting following operational administration and recommend performance levels to SBE/CDE
October 2006	SBE	Approve performance levels
November 2006	SBE	Hold public hearings on approved performance levels
December 2006	SBE	Adopt performance levels
January 2007	CDE	Apply performance levels retroactively and send results to districts
Spring 2007	STAR Contractor	Administer second operational test
August 2007	CDE	Report results using adopted performance levels
August 2007	CDE	Use results to calculate new base science API and AYP

1 h –

Evidence of a

Single Accountability System

(Alignment of State and

Federal Systems)

For specific NCLB requirement, see Appendix A – NCLB, Section 1111 (b)(2)(A)

California's School Classification Matrix

The School Classification Matrix (see table on the following page) was developed as a method of communicating a school's status to the field by combining their performance on the statewide Academic Performance Index (API) and their performance on the newly adopted criteria for federal Adequate Yearly Progress (AYP). In addition, the School Classification Matrix may be used to prioritize interventions for Title I and non-Title I schools.

Key Features:

- Combine school performance across API score, API growth, and AYP
- Identify the “right” schools for awards and for interventions/sanctions
- Be internally consistent within API score bands
- Pay attention to subgroups whether through the API or AYP
- Allow a lower scoring school to gain a star if they met all API growth targets and AYP
- Limit the top category to schools that meet or exceed the statewide interim API target and meet AYP

Critical Elements:

Annual Decisions

- Schools would be classified according to the School Classification Matrix each year after the results of the prior spring testing cycle are released.

API/AYP Combinations

- Within the lower two API score bands (i.e., 600 to 799 and 200 to 599), three combinations of API growth and AYP are possible:
 1. Met all targets and met AYP
 2. Met all targets or met AYP
 3. Did not meet all targets and missed AYP

API Score and Number of Stars

- A school with an API score above 800 can receive four or five stars.
- A school with an API score of 600 to 799 can receive from two to four stars.
- A school with an API score of 200 to 599 can receive from one to three stars.

Eligibility for Awards and Interventions

- Three stars represent the minimum eligibility criteria for awards.
- Interventions will focus on “one star” schools first, followed by “two star” schools, etc. Within each star category, interventions may be prioritized by API score or API decile rank if resources are limited.

California's School Classification Matrix:

A System for Combining Performance on the Academic Performance Index (API) with the
Federal Adequate Yearly Progress (AYP) Criteria
Prescribed Under the No Child Left Behind Act

		API Score		API Growth		AYP Requirements*
21%	★★★★★	800 to 1000		N/A	<i>and</i>	Met AYP
13%	★★★★	800 to 1000		N/A	<i>and</i>	Missed AYP
		600 to 799	<i>and</i>	Met all targets**	<i>and</i>	Met AYP
28%	★★★	600 to 799	<i>and</i>	Met all targets	<i>or</i>	Met AYP
		200 to 599	<i>and</i>	Met all targets	<i>and</i>	Met AYP
27%	★★	600 to 799	<i>and</i>	Did not meet all targets	<i>and</i>	Missed AYP
		200 to 599	<i>and</i>	Met all targets	<i>or</i>	Met AYP
11%	★	200 to 599	<i>and</i>	Did not meet all targets	<i>and</i>	Missed AYP

*School met or exceeded the statewide annual measurable objective in English language arts and mathematics.

**Met all targets includes the school-wide target and the targets for all numerically significant subgroups.

Note: The percentage of schools in each category is based on 2002 data for grades 2-8 only.

Critical Element 1.6: How does the state accountability system include rewards and sanctions for public schools and LEAs?

Introduction

Since 1999, California has worked to develop its accountability system under the Public Schools Accountability Act (PSAA). As part of this legislation, significant funding has been provided to support improvements in many low performing schools in exchange for expectations that these schools meet their annual growth targets. As the PSAA has been implemented, the state has added new schools each year and capitalized on federal programs such as Comprehensive School Reform (CSR) to supplement available state funding. However, as of spring, 2003, California has about 1620 schools funded by at least one of these programs and often more than one. A substantial number of these schools are identified for Program Improvement (California's term for federal "School Improvement") as well as being supported by one or even two state accountability programs. Program eligibility, entry and exit criteria, planning requirements, implementation timelines, funding, and expectations for sanctions vary across these programs. The system is unwieldy to manage and, more importantly, is confusing to schools and districts. The requirement in *No Child Left Behind* (NCLB) to develop and implement a single statewide accountability system comes none too soon. It presents an excellent opportunity to merge existing systems into a unified and single system. The proposed state accountability system:

- will apply to all schools and districts
- complies with federal requirements as defined by NCLB
- gives priority of additional services to schools with students who are farthest away from meeting state standards
- creates a uniform set of expectations and clear priorities for resource allocation
- eliminates the fragmentation among current multiple underperforming schools programs
- builds the capacity of school districts and county offices of education (California's regional education agencies) to intervene effectively in underperforming schools before the state becomes involved.

Time will be needed to secure changes in state law and to fairly and equitably transition schools functioning under multiple state and federal accountability systems to a single system. A timeline for this work is included at the end of this section.

Design Features of the Integrated Accountability System

Key features of the proposed system are listed below.

- Existing programs for underperforming schools will be integrated and aligned on an equitable schedule so that eligibility, entry and exit criteria, planning requirements, implementation timelines, expectations for funding, support, intervention, monitoring, and sanctions (if necessary) are congruent with one another. (See attached **Figure 1** which outlines a comparison of current multiple accountability programs and requirements.)
- The system applies to all schools and districts, regardless of whether or not they receive special funds, though Title I schools are the only ones that must do interventions required by federal law (e.g., choice, supplemental services, etc.).
- A School Intervention Matrix (see attached **Figure 2**), based on the Star Classification Matrix, intentionally focuses resources, support and intervention in schools that need help the most. In this matrix, priority for assistance, and where necessary, intervention, is defined by the combination of Star designation and length of time in Program Improvement. Required services and interventions in the intervention matrix are differentiated for Title I and non-Title I schools.
- Resources permitting, all seriously underperforming schools (e.g., “one star” schools) will participate in the state’s High Priority Schools Grants Program, enacted in Fall 2001, to target California’s lowest performing schools with significant support and expectations for accountability.

District Role

In alignment with the intent of NCLB, California districts will have clear and ongoing responsibility to assist their underperforming schools. State technical assistance and regional services, delivered through California's county offices of education, will focus on the job of building district level capacity to help schools. Design elements include:

- All schools are held to meeting AYP. After two years of not making AYP, schools are placed in the School Intervention Matrix, taking into account their API score, in addition to AYP.
- Based on this placement, local districts will be responsible for taking action with Title I and non-Title I schools to stimulate change and promote student achievement. Title I schools identified for Program Improvement must immediately revise their schoolwide plans and offer school choice.
- Non-Title I schools may also be asked to revise their schoolwide plans. Consistent with California Education Code Section 64000, Single Plans for Pupil Achievement must be developed for all schools receiving state categorical funds. In an integrated accountability system and given existing state statute, it is reasonable to require the non-Title I schools that receive these categorical monies to also revise their schoolwide plans. Consistent with federal law, non-Title I schools will not be required to offer school choice.
- Graduated interventions for Title I schools, as required by NCLB, and any interventions required for non-Title I schools, as identified in state statute, will be made part of the School Intervention Matrix (see **Figure 2**) this spring as state law is further analyzed.
- Depending upon district capacity and need, School Support Teams (part of California's Statewide System of School Support, described below) will be fielded by districts to help their schools in early stages of Program Improvement. Districts will be encouraged to assign School Support Teams to schools prioritized by placement on the School Intervention Matrix. Thus, schools with the lowest Star classification will be given

priority for help. Some districts, particularly due to small size, will lack capacity to field their own teams. For these districts, regional resources will be available as described below.

Statewide System of School Support (“S4”)

NCLB requires in Section 1117 that each state have in place a statewide system of support and improvement for LEAs and schools receiving Title I funds. Federal law is specific as to prioritizing this help: first to LEAs with schools in corrective action, then to LEAs with schools in Program Improvement, and finally to other LEAs and schools receiving Title I funds. In California, this requirement fits closely with existing efforts on the part of the 58 county offices of education to increase their services to low performing schools and districts. Moreover, county offices are currently engaged in serious efforts to better coordinate regional services provided by various state and federal funding sources to make sure that no low performing school or district goes without needed support.

California’s 58 counties are organized into 11 service regions (California Counties State Educational Services Association, or CCSESA). The Statewide System of School Support (S4) follows this organization as well, and various other federal and state categorical funds are delivered through this organization.

In the state’s accountability system, underperforming schools will first receive district support and intervention. However, in some instances, this may not be enough. The district itself may lack the capacity and will to make the significant changes needed to turn-around student achievement in persistently underperforming schools. To support districts, California will use regional services through the Statewide System of School Support both to build district capacity to field School Support Teams and to help individual schools, where needed and upon district request. The features of the system include:

- Continual coordination among CDE, the two federally funded Comprehensive Assistance Centers, and the eleven county regions
- CDE will provide overall leadership and conceptual direction to the Statewide System of School Support to ensure that the State Board of

Education's policies and priorities for school reform and school intervention are built into funded regional services. In addition, CDE will manage any technical assistance and intervention subgrants to the county regions. Finally, CDE will work with county offices and the Comprehensive Assistance Centers on the development of tools, models, and strategies for intervention work as well as processes for professional development and technical assistance.

- The two Comprehensive Assistance Centers will serve as resources for this collaborative work. They are positioned to help with such tasks as reviewing current scientifically based research and gathering ideas from other states for potential application in California. In addition, they will be available to work directly with districts as part of S4 to build district capacity as described previously.
- The eleven S4 regions will deploy School Support Teams and provide training to help districts best provide for school choice, supplemental services, and targeted technical assistance to support their Program Improvement schools in making changes so they can exit Program Improvement status. This work will emphasize helping schools align classroom practice and professional development to use of State Board adopted instructional materials for grades K-8 or, in the case of grades 9-12, standards aligned instructional materials. The work will also include evaluating teacher qualifications to ensure the school is populated by "Highly Qualified" teachers. Finally, this work will emphasize school use of State Board adopted English Language Arts/English Language Development intervention programs for use with students reading two or more levels below grade level standards.
- School Support Teams (SSTs), whether working at the district level in building district capacity, or working directly at the school level, will be composed of individuals as required in federal law. Pursuant to federal law, SST's will either build district capacity in the following areas or more directly work with schools in the following areas:

- Review and analyze all facets of the school’s operation and assist the school in developing recommendations for improving student performance and meeting AYP
- Collaborate with parents and school staff and the local educational agency serving the school in the design, implementation, and monitoring of a plan focusing on increasing student academic achievement
- Evaluate the effectiveness of school personnel assigned to the school
- Make additional recommendations for assistance as the school implements the agreed upon plan.

Funding

Resources to support these activities will be funded as follows:

- Title I districts and schools will support choice, supplemental services, technical assistance, and other interventions with district Title I allocations, with potential access to federal Section 1003 School Improvement funds for lowest performing schools (“one-star” schools in the Star Classification Matrix)
- Districts with non-Title I “one-star” schools that participate in the High Priority Schools Program will have access to state improvement funds, as the state budget allows.
- Schools will be funded for ____ years. **(See Issue Paper #4)**
- The Statewide System of School Support will continue to be supported with federal Section 1003 School Improvement funds, as specified in state budget appropriation language (Assembly Bill 312, Chapter 1020, Statutes of 2002).

Transitioning schools from the current state accountability system into an aligned federal and state system

The following principles underlie the design for transitioning schools from the current multi-layered system (See Figure 1) to an aligned system:

- adherence to law
- fairness to schools
- adequacy of notice
- credibility of existing state accountability system
- assurance that in-depth assistance is provided to the schools that most need intervention.

The following transition strategy is under development:

- All schools in Program Improvement, Immediate Intervention/Underperforming Schools Program (II/USP) or CSR that are currently in state sanction or that will be subject to state sanctions based on August 2003 data will remain under state sanctions for up to three years, unless they meet AYP and API growth targets and exit the program. **(See Issue Paper #2)**
- For all other schools in the various underperforming schools programs, NCLB will take precedence over PSAA. Therefore, schools currently identified as PI, and not under state sanctions, will be placed on the Intervention Matrix, become subject to requirements of NCLB (Title I schools), and relieved of the PSAA requirements. All other schools currently in II/USP (Cohorts I, II, and III) and High Priority schools, not yet identified for PI, will be placed in the matrix at the appropriate level in 2003 or 2004 and will become subject to the requirements of the School Intervention Matrix. These schools, therefore, will be subject to local intervention and sanctions.

The following guiding principles will be used for intervention matrix placement:

- The number of years schools have participated in the underperforming schools programs and the pattern of student achievement will determine when, and at what level, the school is placed in the matrix.
- Schools will not be placed in the matrix until they have not made AYP for two consecutive years. Therefore, some schools participating in the underperforming schools programs and non-Title I schools will not be placed in the matrix until August 2004 using the August 2003 and 2004 STAR data.
- All schools currently in II/USP or CSR will receive up to three years of underperforming school funding before being subject to sanctions.
- Effective September 2004, “significant growth” may no longer be applicable. (See Issue Paper #4)

Timeline and Steps for Implementing Interventions in an Aligned Accountability System

- **April/May, 2003** – Analyze existing state statute to determine what, if any, legislative changes are necessary to implement Critical Element 1.6 and to further develop graduated interventions for the School Intervention Matrix
- **May, 2003** – Will introduce legislative changes, if necessary; develop proposal for potential funding of High Priority Schools Program for 2003-04, using any available general funds and federal Section 1003 funds for School Improvement
- **May, 2003** – Share with county offices and other LEAs the proposed system to align state and federal interventions
- **June, 2003** – Develop specifications for funded work as part of the Statewide System of School Support and as described in Critical Element 1.6; solicit proposals for this work from 11 county offices designated as

the LEA responsible for administering S4 funding in each of the 11 CCSESA regions

- **July, 2003** – Fund S4 grants for the 2003-04 school year
- **June-September, 2003** – Work intensively with the S4 system and with the Comprehensive Assistance Centers on the development of tools, models and strategies for intervention work, in line with State Board of Education priorities. Build capacity of S4 to develop district capacity to help schools and to field SST's for certain schools where necessary
- **October/November, 2003** – After Star Classification Matrix is released, place schools as appropriate in the School Intervention Matrix and disseminate to LEAs.

Figure 1
Comparison of State and Federal Accountability Programs

State			Federal	
Item	II/USP	HPSGP	CSRD	Program Improvement
Number of schools	1,287	630	196	813
Eligibility	Bottom 5 deciles	Bottom 5 deciles—only a majority of decile 1 funded to date	Competitive grant process (schools eligible for II/USP, HP, or PI)	Title I Program Improvement Schools
Entry criteria	Fail API for one year	Not Applicable	Not Applicable	Fail AYP for two years
Planning funds	\$50,000 grant	Optional \$50,000 grant	No grant	No grant
Plan requirements	22 specific requirements	All II/USP requirements plus four additional requirements	11 specific components. Must use research-based model	Research based plan
Intervention year 1	Implement action plan—\$200 per pupil	Implement action plan—\$400 per pupil	Implement action plan—\$200 per pupil	School Choice
Intervention year 2	Implement action plan—\$200 per pupil	Implement action plan—\$400 per pupil	Implement action plan—\$200 per pupil	Choice and Supplemental Services
Intervention year 3	Exit, sanctions, or significant growth and \$200 per pupil	Implement action plan—\$400 per pupil	Implement action plan—\$200 per pupil	Choice, supplemental services, corrective action by school district
Intervention year 4	Continue sanctions and continue to watch schools that did not exit but are making significant growth	Exit, sanctions, or significant growth at \$400 per pupil.	If part of II/USP or HPSGP, exit, sanctions, or significant growth	Plan for restructuring
Intervention year 5	Continue sanctions & continue to watch significant growth schools	Continue sanctions & continue to watch significant growth schools	Continue sanctions & continue to watch significant growth schools	Restructuring
Exit criteria	Meet growth targets two years in a row	Not specified	II/USP or HPSGP exit criteria apply if under those programs	Make AYP for two consecutive years
Sanctions funding	\$150 per pupil; \$75,000 - \$125,000 for School Assistance & Intervention Teams	Not specified	II/USP or HPSGP sanctions apply if under those programs	Title I 2% School Improvement set aside provides funding for LEAs to support PI schools
Criteria for Exiting Sanctions	Make significant growth for two consecutive years	Not specified	II/USP or HPSGP sanctions apply if under those programs	

Figure 2

School Intervention Matrix

Schools are placed in the School Intervention Matrix based on their “Star” designation from the Classification Matrix. The Classification Matrix combines the Academic Performance Index with AYP Requirements and assigns all schools a star designation based on the results.

Following are the seven categories of the intervention matrix:

- Five Stars
- Four and Three Stars meeting AYP
- Four Stars with an API score of 800 to 1000 not meeting AYP
- Three Stars with an API score of 600 to 799 not meeting AYP
- Two Stars with an API score of 600-799 not meeting AYP
- Two Stars with an API score of 200-599 (not meeting AYP)
- One Star with an API Score of 200-599 (not meeting AYP)

Five Star Schools					
	Year 1	Year 2	Year 3	Year 4	Year 5
Title I Status					
Title I and Non-Title I Schools	Recognition/ Rewards	Recognition/ Rewards	Recognition/ Rewards	Recognition/ Rewards	Recognition/ Rewards
Three and Four Star Schools Meeting AYP					
	Year 1	Year 2	Year 3	Year 4	Year 5
Title I Status					
Title I and Non-Title I Schools	Recognition/ Rewards	Recognition/ Rewards	Recognition/ Rewards	Recognition/ Rewards	Recognition/ Rewards

Four Stars (API Score of 800 to 1000)						
AYP	Title I	Year 1	Year 2	Year 3	Year 4	Year 5
Failed AYP for two consecutive years with an API of 800 to 1000 and Four Stars	Title I	<ul style="list-style-type: none"> School Choice District must approve a 2-year plan to Improve Student Achievement District notifies parents District ensures tech. assistance 	<ul style="list-style-type: none"> School Choice Supplemental Services District notifies parents District continues to ensure tech. assistance 	<ul style="list-style-type: none"> School Choice Supplemental Services Under Development 	<ul style="list-style-type: none"> School Choice Supplemental Services Under Development 	<ul style="list-style-type: none"> School Choice Supplemental Services Under Development
Failed AYP for two consecutive years with an API of 800 to 1000 and Four Stars	Non Title I	<div> <div>←</div> <div>Under Development</div> <div>→</div> </div>				

Three Stars (API Score of 600 to 799)						
		Year 1	Year 2	Year 3	Year 4	Year 5
AYP	Title I Status					
Failed AYP for two consecutive years with an API Score of 600 to 799 and Three Stars -	Title I	<ul style="list-style-type: none"> • School Choice • District must approve a 2-year plan to improve Student Achievement • District notifies parents • District ensures tech. assistance 	<ul style="list-style-type: none"> • School Choice • Supplemental Services • District notifies parents • District ensures tech. assistance 	<ul style="list-style-type: none"> • School Choice • Supplemental Services • Under Development 	<ul style="list-style-type: none"> • School Choice • Supplemental Services • Under Development 	<ul style="list-style-type: none"> • School Choice • Supplemental Services • Under Development
Failed AYP for two consecutive years with an API Score of 600 to 799 and Three Stars -	Non Title I	←		Under Development	→	

Two Stars (API Score of 600 to 799)						
		Year 1	Year 2	Year 3	Year 4	Year 5
AYP	Title I Status					
Failed AYP for two consecutive years with an API Score of 600 to 799 and Two Stars -	Title I	<ul style="list-style-type: none"> School Choice District must approve a 2-year plan to improve Student Achievement District notifies parents District ensures tech. assistance 	<ul style="list-style-type: none"> School Choice Supplemental Services District notifies parents District ensures tech. assistance 	<ul style="list-style-type: none"> School Choice Supplemental Services Under Development 	<ul style="list-style-type: none"> School Choice Supplemental Services Under Development 	<ul style="list-style-type: none"> School Choice Supplemental Services Under Development
Failed AYP for two consecutive years with an API Score of 600 to 799 and Two Stars -	Non Title I	←		Under Development		→

Two Stars (API Score of 200 to 599)						
AYP	Title I Status	Year 1	Year 2	Year 3	Year 4	Year 5
Failed AYP for two consecutive years with an API Score of 200 to 599 and Two Stars -	Title I	<ul style="list-style-type: none"> School Choice District must approve a 2-year plan to improve Student Achievement District notifies parents District ensures tech. assistance 	<ul style="list-style-type: none"> School Choice Supplemental Services District notifies parents District ensures tech. assistance 	<ul style="list-style-type: none"> School Choice Supplemental Services District implements at least one of the following corrective actions: 1) replace staff responsible for school's failure 2) implement a new curriculum, 3) decrease management authority, 4) appoint an outside expert, 5) restructure the school 	<ul style="list-style-type: none"> School Choice Supplemental Services District develops plan for alternative governance—if plan involves state intervention, the CDE must approve the plan 	<ul style="list-style-type: none"> District implements alternative governance plan
Failed AYP for two consecutive years with an API Score of 200 to 599 and Two Stars -	Non Title I	←	←	Under Development	→	→

One Star						
AYP	Title I Status	Year 1	Year 2	Year 3	Year 4	Year 5
Failed AYP for two consecutive years with one star in the second year	Title I	<ul style="list-style-type: none"> School Choice District must approve a 2-year plan to improve Student Achievement District notifies parents District ensures tech. assistance 	<ul style="list-style-type: none"> School Choice Supplemental Services District notifies parents District ensures tech. assistance 	<ul style="list-style-type: none"> School Choice Supplemental Services District implements at least one of the following corrective actions: 1) replace staff responsible for school's failure 2) implement a new curriculum, 3) decrease management authority, 4) appoint an outside expert, 5) restructure the school 	<ul style="list-style-type: none"> School Choice Supplemental Services District develops plan for alternative governance—if plan involves state intervention, the CDE must approve the plan 	<ul style="list-style-type: none"> District implements alternative governance plan
Failed AYP for two consecutive years with one star in the second year	Non Title I	<div>← Under Development →</div>				

Critical Element 1.6

Issue Paper #1

Issue: What should be done about schools without a valid API?

California has 8,812 schools that are part of the state's accountability system. Currently, there are 1,578 schools statewide that do not have a valid API for 2002 (see Attachment 1 on the following page). Of the schools without a valid API, 1,297 are participating in the Alternative Schools Assessment System and 54 were newly formed in 2001-02 and were not eligible to receive an API growth target in 2002. Therefore, there are 513 schools that had a 2001 base API that do not have a 2002 growth API.

Of immediate concern, there are 12 II/USP schools in cohort I, and 9 schools in cohort II that do not have a valid API. Although the lack of an API is a matter of concern for all schools, it is a particular problem for the 21 II/USP schools. These schools agreed to participate in II/USP, received targeted funding, and agreed to be held accountable for improving student achievement. However, without an API there is no way of knowing whether these schools have or have not improved student achievement. Therefore, CDE cannot determine if these 21 schools should be placed in the School Intervention Matrix or exit the program.

In the new proposed state and federal accountability system, all schools will be held accountable to adequate yearly progress (AYP). The SBE approved the use of the API for all grade levels as the other indicator of AYP required under NCLB. Schools without an API would automatically fail AYP.

To resolve these issues, the CDE would like to pursue legislation that would allow CDE to calculate a best estimate API. This best estimate API would be calculated for schools that had their APIs invalidated for reasons other than a significant demographic change in their student population. For example, schools that had their API invalidated because of excessive parental waivers or adult testing irregularities would be candidates for a best estimate API.

Reasons Some Schools
Did Not Receive 2002 Growth Results

	<u>Number of Schools</u>
All Schools, Fall 2001	8,812
Schools Receiving 2002 Growth APIs	<u>-7,234</u>
Schools Not Receiving 2002 Growth APIs	1,578
Newly Formed Schools (No Opportunity to Measure Growth)	54
Alternative Schools, Special Education Centers, and Very Small Schools (fewer than 11 valid scores)	1,297
<i>Schools in 2001 Base API Report Not Receiving 2002 API (Growth):</i>	
• Data Corrections Pending from Test Publisher (2002)	1
• A Valid 2001 Base Score Does Not Exist due to adult testing irregularities in 2001	26
• Excessive Parent Waivers (2001 or 2002)	99
• Not a Significant Percentage of 2001 STAR Scores in a Content Area	7
• Not a Significant Percentage of 2002 STAR Scores in a Content Area	22
• Unresolved Data Discrepancies (2001)	1
• Testing Irregularities Reported by Districts in 2002	24
• API Not Comparable (Reported by District)	23
• No 2002 Test Results	23
• Missing some STAR test results in 2002	1
Subtotal	<u>513</u>
Total	<u>1,578</u>

Critical Element 1.6

Issue Paper #2

Issue: What criteria should be used to exit II/USP Schools from the program?

A major goal of the proposed alignment of the state and federal accountability systems is to reduce the disparities among the various underperforming schools programs.

Ultimately, this will require that all schools currently participating in II/USP and HP transition into the new merged system, as organized by the School Intervention Matrix. The matrix defines the level of intervention/sanctions that schools would receive if they failed to meet AYP for two consecutive years.

Currently, PSAA legislation requires schools to meet API growth targets, both schoolwide and comparable improvement, to exit the program. Yet, the federal system depends on whether or not schools make AYP. Although CDE would like to align the systems as soon as possible, entry into the new aligned accountability system for these schools must address fairness, adequacy of notice, and adequate access to support.

Three options are available:

1. Retain the current law for II/USP and HP schools to meet API growth targets for all schools currently participating in II/USP (Cohorts I, II and III) and HP. The downside to this option is the tremendous length of time it would take to transition to the aligned system. (SB 1310 permits schools to remain under watch indefinitely as long as they continue to make significant growth, thus they would not be subject to placement in the Intervention Matrix.)
2. Hold all schools accountable to AYP in August 2003, thereby changing the exit expectations for schools precipitously. This option moves to the new aligned accountability system quickly, however, it seems inherently unfair to change the rules for exiting II/USP at such a late date.

3. Transition schools to AYP by allowing eligible cohort I and II schools to exit the program in 2003 by meeting API growth targets and begin using AYP as the exit criteria in 2004 for all schools remaining in II/USP and HP. This option allows schools to exit II/USP this year based on API and provides adequate notice regarding a change in the exit criteria for future years.

CDE staff recommends option 3.

Critical Element 1.6

Issue Paper #3

Issue: How should schools exit state sanctions?

This past year, 24 II/USP schools became subject to state sanctions and are required to contract with a School Assistance and Intervention Team (SAIT). These schools will continue as state-monitored schools for three years, unless they exit state corrective action. Currently, SB 1310 defines the exit criterion for schools under state sanctions as making significant growth for two consecutive years.

In addition, an unknown number of schools will be identified for state corrective action based on the 2003 STAR data. There are **two options** on how to handle schools subject to state sanctions in the new accountability system:

1. Maintain the current exit criteria for II/USP state-monitored schools and monitor the schools for up to three years. This maintains the current legislation, but sets the bar for measuring student achievement at a lower level than NCLB.
2. Change the exit criteria to align with NCLB and hold schools accountable for making AYP to exit state sanctions. Schools that do not make AYP for two consecutive years will be placed on the Intervention Matrix. For example, II/USP Cohort II schools under state sanctions that do not make AYP in 2004 and 2005 would be placed in the matrix. This option provides a single bar for measuring student achievement across the various underperforming schools programs and is particularly helpful for schools participating in multiple programs.

In order to align the systems as soon as possible, CDE recommends option 2.

Critical Element 1.6

Issue Paper #4

Issue: How long and at what level should schools be funded in the underperforming schools programs?

Based on the proposed aligned state and federal accountability system, additional funding will be provided to schools with a designation of “one star” on the Classification Matrix. (The API score may be used to prioritize funding if resources are limited.) Schools with Title I funds would receive additional NCLB Section 1003 School Improvement funds, non-Title I schools would receive state general funds from the High Priority Schools Program, resources permitting.

Issue 4a: How long should schools be funded?

HP schools currently receive either three or four years of funding. Schools that do not exit the program at the end of three years, but make significant growth, receive a fourth year of funding. NCLB provides schools up to four years to improve student achievement before they are required to implement a new governance structure. During those four years, the district is required to provide support and interventions. Since one star schools will receive either Title I Program Improvement funds or HP funds to support the improvement of student achievement, both funding sources should promote the same length of funding.

To align with NCLB one star schools should receive four years of funding to support their improvement efforts. It also seems appropriate to provide funding for the full four years regardless of whether or not a school meets AYP or moves to a new star designation. Consistency of funding for a fixed period of time will help ensure that schools making progress won't slip back into the accountability system.

Issue 4b: What funding level should schools receive?

Based on data simulations conducted by the Policy and Evaluation Division, CDE anticipates approximately 652 elementary and middle schools, and an unknown number of high schools, would be designated with the one star in August 2003. (Of the elementary and middle schools 304 would be in state rank one, 265 in state rank two, 77 in state rank three, and 6 in state rank four). There are **two options** available:

1. Revert the funding level for HP to \$200 per student due to limited resources and the number of schools anticipated to be designated as one star schools.
2. Maintain the current funding level for HP at \$400 per student and fund fewer one star schools.

APPENDIX A

Excerpt from NO CHILD LEFT BEHIND Legislation

SEC. 1111. STATE PLANS.

(a) PLANS REQUIRED-

(1) IN GENERAL- For any State desiring to receive a grant under this part, the State educational agency shall submit to the Secretary a plan, developed by the State educational agency, in consultation with local educational agencies, teachers, principals, pupil services personnel, administrators (including administrators of programs described in other parts of this title), other staff, and parents, that satisfies the requirements of this section and that is coordinated with other programs under this Act, the Individuals with Disabilities Education Act, the Carl D. Perkins Vocational and Technical Education Act of 1998, the Head Start Act, the Adult Education and Family Literacy Act, and the McKinney-Vento Homeless Assistance Act.

(2) CONSOLIDATED PLAN- A State plan submitted under paragraph (1) may be submitted as part of a consolidated plan under section 9302.

(b) ACADEMIC STANDARDS, ACADEMIC ASSESSMENTS, AND ACCOUNTABILITY-

(1) CHALLENGING ACADEMIC STANDARDS-

(A) IN GENERAL- Each State plan shall demonstrate that the State has adopted challenging academic content standards and challenging student academic achievement standards that will be used by the State, its local educational agencies, and its schools to carry out this part, except that a State shall not be required to submit such standards to the Secretary.

(B) SAME STANDARDS- The academic standards required by subparagraph (A) shall be the same academic standards that the State applies to all schools and children in the State.

(C) SUBJECTS- The State shall have such academic standards for all public elementary school and secondary school children, including children served under this part, in subjects determined by the State, but including at least mathematics, reading or language arts, and (beginning in the 2005-2006 school year) science, which shall include the same knowledge, skills, and levels of achievement expected of all children.

(D) CHALLENGING ACADEMIC STANDARDS- Standards under this paragraph shall include —

(i) challenging academic content standards in academic subjects that —

(I) specify what children are expected to know and be able to do;

- (II) contain coherent and rigorous content; and
- (III) encourage the teaching of advanced skills; and
- (ii) challenging student academic achievement standards that —
 - (I) are aligned with the State's academic content standards;
 - (II) describe two levels of high achievement (proficient and advanced) that determine how well children are mastering the material in the State academic content standards; and
 - (III) describe a third level of achievement (basic) to provide complete information about the progress of the lower-achieving children toward mastering the proficient and advanced levels of achievement.

(E) INFORMATION- For the subjects in which students will be served under this part, but for which a State is not required by subparagraphs (A), (B), and (C) to develop, and has not otherwise developed, such academic standards, the State plan shall describe a strategy for ensuring that students are taught the same knowledge and skills in such subjects and held to the same expectations as are all children.

(F) EXISTING STANDARDS- Nothing in this part shall prohibit a State from revising, consistent with this section, any standard adopted under this part before or after the date of enactment of the No Child Left Behind Act of 2001.

(2) ACCOUNTABILITY-

(A) IN GENERAL- Each State plan shall demonstrate that the State has developed and is implementing a single, statewide State accountability system that will be effective in ensuring that all local educational agencies, public elementary schools, and public secondary schools make adequate yearly progress as defined under this paragraph. Each State accountability system shall--

- (i) be based on the academic standards and academic assessments adopted under paragraphs (1) and (3), and other academic indicators consistent with subparagraph (C)(vi) and (vii), and shall take into account the achievement of all public elementary school and secondary school students;
- (ii) be the same accountability system the State uses for all public elementary schools and secondary schools or all local educational agencies in the State, except that public elementary schools, secondary schools, and local educational agencies not participating under this part are not subject to the requirements of section 1116; and
- (iii) include sanctions and rewards, such as bonuses and recognition, the State will use to hold local educational agencies and public elementary schools and secondary schools accountable for student achievement and for ensuring that they

make adequate yearly progress in accordance with the State's definition under subparagraphs (B) and (C).

(B) ADEQUATE YEARLY PROGRESS- Each State plan shall demonstrate, based on academic assessments described in paragraph (3), and in accordance with this paragraph, what constitutes adequate yearly progress of the State, and of all public elementary schools, secondary schools, and local educational agencies in the State, toward enabling all public elementary school and secondary school students to meet the State's student academic achievement standards, while working toward the goal of narrowing the achievement gaps in the State, local educational agencies, and schools.

(C) DEFINITION- Adequate yearly progress' shall be defined by the State in a manner that--

(i) applies the same high standards of academic achievement to all public elementary school and secondary school students in the State;

(ii) is statistically valid and reliable;

(iii) results in continuous and substantial academic improvement for all students;

(iv) measures the progress of public elementary schools, secondary schools and local educational agencies and the State based primarily on the academic assessments described in paragraph (3);

(v) includes separate measurable annual objectives for continuous and substantial improvement for each of the following:

(I) The achievement of all public elementary school and secondary school students.

(II) The achievement of--

(aa) economically disadvantaged students;

(bb) students from major racial and ethnic groups;

(cc) students with disabilities; and

(dd) students with limited English proficiency;

except that disaggregation of data under subclause

(II) shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student;

(vi) in accordance with subparagraph (D), includes graduation rates for public secondary school students (defined as the percentage of students who graduate from secondary school with

a regular diploma in the standard number of years) and at least one other academic indicator, as determined by the State for all public elementary school students; and

(vii) in accordance with subparagraph (D), at the State's discretion, may also include other academic indicators, as determined by the State for all public school students, measured separately for each group described in clause (v), such as achievement on additional State or locally administered assessments, decreases in grade-to-grade retention rates, attendance rates, and changes in the percentages of students completing gifted and talented, advanced placement, and college preparatory courses.

(D) REQUIREMENTS FOR OTHER INDICATORS- In carrying out subparagraph (C)(vi) and (vii), the State--

(i) shall ensure that the indicators described in those provisions are valid and reliable, and are consistent with relevant, nationally recognized professional and technical standards, if any; and

(ii) except as provided in subparagraph (I)(i), may not use those indicators to reduce the number of, or change, the schools that would otherwise be subject to school improvement, corrective action, or restructuring under section 1116 if those additional indicators were not used, but may use them to identify additional schools for school improvement or in need of corrective action or restructuring.

(E) STARTING POINT- Each State, using data for the 2001-2002 school year, shall establish the starting point for measuring, under subparagraphs (G) and (H), the percentage of students meeting or exceeding the State's proficient level of academic achievement on the State assessments under paragraph (3) and pursuant to the timeline described in subparagraph (F). The starting point shall be, at a minimum, based on the higher of the percentage of students at the proficient level who are in--

(i) the State's lowest achieving group of students described in subparagraph (C)(v)(II); or

(ii) the school at the 20th percentile in the State, based on enrollment, among all schools ranked by the percentage of students at the proficient level.

(F) TIMELINE- Each State shall establish a timeline for adequate yearly progress. The timeline shall ensure that not later than 12 years after the end of the 2001-2002 school year, all students in each group described in subparagraph (C)(v) will meet or exceed the State's proficient level of academic achievement on the State assessments under paragraph (3).

(G) MEASURABLE OBJECTIVES- Each State shall establish statewide annual measurable objectives, pursuant to subparagraph (C)(v), for meeting the requirements of this paragraph, and which--

(i) shall be set separately for the assessments of mathematics and reading or language arts under subsection (a)(3);

(ii) shall be the same for all schools and local educational agencies in the State;

(iii) shall identify a single minimum percentage of students who are required to meet or exceed the proficient level on the academic assessments that applies separately to each group of students described in subparagraph (C)(v);

(iv) shall ensure that all students will meet or exceed the State's proficient level of academic achievement on the State assessments within the State's timeline under subparagraph (F); and

(v) may be the same for more than 1 year, subject to the requirements of subparagraph (H).

(H) INTERMEDIATE GOALS FOR ANNUAL YEARLY PROGRESS- Each State shall establish intermediate goals for meeting the requirements, including the measurable objectives in subparagraph (G), of this paragraph and that shall--

(i) increase in equal increments over the period covered by the State's timeline under subparagraph (F);

(ii) provide for the first increase to occur in not more than 2 years; and

(iii) provide for each following increase to occur in not more than 3 years.

(I) ANNUAL IMPROVEMENT FOR SCHOOLS- Each year, for a school to make adequate yearly progress under this paragraph--

(i) each group of students described in subparagraph (C)(v) must meet or exceed the objectives set by the State under subparagraph (G), except that if any group described in subparagraph (C)(v) does not meet those objectives in any particular year, the school shall be considered to have made adequate yearly progress if the percentage of students in that group who did not meet or exceed the proficient level of academic achievement on the State assessments under paragraph (3) for that year decreased by 10 percent of that percentage from the preceding school year and that group made progress on one or more of the academic indicators described in subparagraph (C)(vi) or (vii); and

(ii) not less than 95 percent of each group of students described in subparagraph (C)(v) who are enrolled in the school are required to take the assessments, consistent with paragraph (3)(C)(xi) and with accommodations, guidelines, and alternative assessments provided in the same manner as those provided under section 612(a)(17)(A) of the Individuals with Disabilities Education Act and paragraph (3), on which adequate yearly progress is based (except that the 95 percent requirement described in this clause shall not apply in a case in which the number of students in a category is insufficient to yield statistically reliable information or

the results would reveal personally identifiable information about an individual student).

(J) UNIFORM AVERAGING PROCEDURE- For the purpose of determining whether schools are making adequate yearly progress, the State may establish a uniform procedure for averaging data which includes one or more of the following:

(i) The State may average data from the school year for which the determination is made with data from one or two school years immediately preceding that school year.

(ii) Until the assessments described in paragraph (3) are administered in such manner and time to allow for the implementation of the uniform procedure for averaging data described in clause (i), the State may use the academic assessments that were required under paragraph (3) as that paragraph was in effect on the day preceding the date of enactment of the No Child Left Behind Act of 2001, provided that nothing in this clause shall be construed to undermine or delay the determination of adequate yearly progress, the requirements of section 1116, or the implementation of assessments under this section.

(iii) The State may use data across grades in a school.